



NBID
APR 30 2014

April 30, 2014

VIA EMAIL

Mr. Rick Scott
Administrative Services Division
City Hall, Room 224
200 N. Spring Street
Los Angeles, CA 90012

RE: Downtown Center Business Improvement District: 2014 First Quarter Report

Dear Mr. Scott:

We are pleased to provide you with the required reporting of the activity for the Downtown Center Business Improvement District (DCBID) for the first quarter of 2014:

Operating Expenses: Annual Budget \$3,552,665

Safety Services - We contract for safety services through Universal Protection Service (UPS). Patrol services are in place 24 hours a day, seven days a week and are deployed on foot patrols, bicycles and vehicles from the Service Center facility located at 528 South Spring Street. Safety personnel responded to 36,489 calls for service and self-observed incidents, as well as providing directions and assistance to 4,632 citizens during the months of January, February and March

The Safety Patrol focused on quality of life issues that were spiking in all areas of the district. Businesses throughout the district were being affected by aggressive transient behavior. This prompted the DCBID to focus strategic patrols and also request LAPD to increase the presence of law enforcement personnel.

The Safety Patrol conducted refresher training on the following topics:

- Powers to Arrest
- Emergency Preparedness
- Verbal Judo
- Ethics & Cultural Diversity
- Bike Patrol Refresher

Maintenance Services - We contract for maintenance services through Chrysalis, a nonprofit organization that offers employment opportunities to the homeless and economically disadvantaged.

Maintenance removed a growing amount of ground-level graffiti, targeting problem areas within the district. High-rise graffiti was reported to the city.

Maintenance sweeper crews swept the sidewalks, emptied trash receptacles, removed illegal decals, scraped gum from public phone booths and provided graffiti removal as detailed above. The maintenance crew also deployed an M-20 sweeper/scrubber and M636 vacuum machine to pick up large items of trash on sidewalks. Maintenance crews collected 21,557 bags of trash and removed 24 abandoned shopping carts during the months of January, February and March.

BID ACTION (Homeless Outreach Team) - The DCBID Homeless Outreach Team is comprised of a mix of personnel from Chrysalis and UPS working together to assist the homeless. The ultimate goal of the outreach team is to assist getting those in need into stable housing or drug/alcohol programs.

In the last quarter, the homeless outreach team conducted homeless counts that averaged 190 homeless persons who sleep within the DCBID boundaries every night. During the 4th quarter, the DCBID Outreach Team was able to assist four individuals in checking into in-house drug recovery programs effectively transitioning them from homelessness.

Communications, Marketing and Economic Development Programs: Annual Budget \$1,455,580

Communications & Marketing:

Marketing Campaigns

We launched a Valentine's Day guide featuring over 25 special dinners, events, and hotel packages at DowntownLA.com/Valentines. The campaign was supported by an ad in the Downtown News and social media. We hosted our first Facebook photo contest generating 1,300 views and 1,000 votes. Our winner won a staycation for two that included tickets to the LA Phil, and dinner and a night at the Westin Bonaventure. The campaign generated 6,000 views on our website.

eNewsletter

The DCBID's e-newsletters were sent to over 30,000 current subscribers. They highlighted new business openings, Downtown events, and special offers to our subscribers.

Property Owner Quarterly Newsletter

The Q1 issue of the quarterly newsletter was sent to all stakeholders. This issue featured a recap of our investor's conference and our holiday marketing campaign, and listings of new businesses in the District.

Website

We are in the process of redesigning our website, DowntownLA.com. The new site will launch later this year.

Downtown Guides Program

The Downtown Guides were active in their outreach to businesses, residents, and visitors in the Downtown Center. The Guides were present at:

- Weekly Farmers' Markets

- Downtown on Ice at Pershing Square
- A Day on Broadway
- DCBID Housing Tours
- DCBID Investor's Conference

The Welcome Maps and Bags continued to be in high demand. The maps were distributed via our Downtown Guides in Downtown LA and via Certified Folder Display to major transportation hubs and tourist attractions in Southern California. The Welcome Bags greeted new tenants and residents when they moved in.

Sampling of Visitor Comments:

"I just want to share with you that I had very good service from your employee Brittany last week in Downtown LA. She helped me find my way to the bus stop, walked with me to it, and managed to understand me, despite my little English!" - Veronique Lepine from Canada

Public Relations

Our public relations firm and consultant secured coverage in support of our Investors Conference. Press coverage garnered 17.1 million impressions, a value of \$410,000, and included coverage in:

USA Asian Media

Korea Daily; Korea Times; World Journal; Korea Herald Business; Sport Soeul USA; Sing Tao Daily; and KBS America

China

969House.com and Soufun.com

USA Media

OC Register; Urban Land Institute LA; Sacramento Bee; Downtown News; Pasadena Star News; National Real Estate Investor; LA Business Journal; Globe St.; LA Times; and Wall Street Journal

Marketing Roundtable Meetings

The DCBID hosted its monthly Marketing Roundtables. The over 60 attendees shared their marketing activities and learned about the DCBID's efforts to support businesses. Guest speakers included the LA Philharmonic, Keck USC School of Medicine, American Lung Association, Para Los Ninos, the Downtown Film Festival, the Unusual Suspects Theater Company, the Library Foundation of Los Angeles, and California Hospital Medical Center.

Economic Development:

Investors Conference

We are pleased to report that over 450 people came to our "must attend" event to explore opportunities in Downtown Los Angeles' office, retail, residential, hospitality, sports, and entertainment real estate markets. The day-long program and bus tour will spur further investment from local, national, and international real estate investors and developers as well as office tenants, retailers, and restaurateurs. The event was attended by:

- Commercial and residential real estate brokers
- Commercial and residential real estate developers and investors

- Commercial and investment bankers
- Retailers, restaurateurs and nightlife operators
- Hoteliers
- Traditional and creative office space users
- People interested in learning about investing in Downtown Los Angeles

Following is a recap of the day:

Location and Date / Schedule:

JW Marriott at L.A. LIVE, Gold Ballroom, Salon I and II
Thursday, January 9, 2014

7:00am - 7:45am: Registration & Continental Breakfast
 7:45am - 1:45pm: Program & Lunch
 1:45pm - 2:05pm: Break/Load Buses
 2:05pm - 5:15pm: Downtown Bus Tour

Time	Title	Panel Leader/ Moderator:	Panelists (in order of speaking):
8:15- 9:05am	<u>Panel One</u> Hospitality/ Sports & Entertainment	Bruce Baltin, SVP, PKF Consulting USA	Dan Beckerman, President & CEO, AEG Javier Cano, General Manager, The Ritz-Carlton, Los Angeles, JW Marriott Los Angeles L.A. LIVE Christopher C. Martin, CEO AC Martin Partners, Inc & Chairman and CEO, Martin Project Management
9:10- 10:00am	<u>Panel Two</u> Residential/ Mixed Use	Marc D. Renard, Vice Chairman, Global Capital Markets Group, Cushman & Wakefield	Barry Altshuler, SVP, Equity Residential Neils Cotter, VP, Carmel Partners Kathy Neal, Principal, Keller Williams DTLA William A. Witte, President, Related California
10:15-11:05am	<u>Panel Three</u> Retail	Derrick Moore, Principal – Urban Retail Properties, Avison Young	Edward Hogan, National Director of Retail Leasing, Brookfield Office Properties Wayne Ratkovich, President & CEO, The Ratkovich Company Joan Gorham, EVP, Macy's, Regional Director of Stores, Macy's Southwest William A. Witte, President, Related California (filling in for Ken Himmel)

11:10 am-12:00pm	<u>Panel Four</u> Office	Robert A. Jernigan, AIA, LEED AP, Principal, Managing Director, Gensler	Martin Caverly, CEO, EVOQ Properties Bert Dezzutti, SVP, Western Region, Brookfield Office Properties Nelson Rising, Chairman & CEO, Rising Realty Partners Richard Stockton, President & CEO, OUE Limited – The Americas
12:00-12:30pm	Networking Reception		
12:30-1:45pm	Luncheon and Conversation	Frank Mottek, Anchor & Host, KNX 1070 News Radio	Eli Broad Founder, The Broad Foundations
2:05-5:15pm:	Downtown LA Tour, including stops at Smart & Final Extra (amenity) 1111 Wilshire (apartment), Nation Builder (creative office) The Ace Hotel, Grand Central Market (repositioning) and FIGAT7TH (retail).		

We received great reviews and will be working this year to stay in contact with the attendees and track successes that have been achieved as a result of the program.

Creative/Tech/ Office Recruitment Committee

From input from the December 5, 2013 committee meeting, we produced a preliminary recruitment strategy that was vetted by the subcommittee on February 20. Revisions were made to that document that were further modified by the full committee on February 25 with an attendance of over 25 people, including representatives from most of the major office building owners and commercial real estate brokers, as well as architects, designers and marketing professionals. We are in the process of curating all the great ideas and will draft a revised plan for our next steps.

Retail

- We met with a tenant who is considering opening up a business in the Grand Central Market
- We did further work with the broker for Dunkin Donuts
- An RFP was released for the restaurant space at the Police Administration Building and we worked to help distribute it to users
- We gave a tour to an amenity tenant
- We gave a tour to a retail developer/investor
- We tour Townsend Associates, retail brokers who represent a number of major national retailers
- We gave a tour to a bagel/restaurant operator
- We assisted a regional restaurant chain who is looking to open
- We worked with Cedd Moses on some possible new sites

Hotel

We gave a tour to a major national hotel developer.

Housing

We gave tours to a number of developers, a large general contractor and an investor.

Housing Tours

We had three very successful, standing room only, housing tours with about 150 people in attendance.

Major Construction Events

- Ground breaking occurred on The Metropolis project on February 14.
- The foundation was poured for the Wilshire Grand Hotel on February 15 and 16.

Research & Information Requests

- Created Under Construction Projects Map
- Created Pipeline Projects Chart
- Revised and updated New Business List
- Compiled list of revenues for select restaurants
- Revised and updated Downtown LA Investment Spreadsheet
- We responded to over 60 requests for information.

Administration Program: Annual Budget \$1,005,230

Downtown Center Business Improvement District has actual revenues over net expenditures of \$1,744,191 versus a projected \$1,402,115 for the three months ended March 31, 2014. The \$342,000 difference is the result of a favorable timing difference in the collection of revenue (\$200,000), favorable timing differences within the Operations programs for open positions for Safety personnel, facilities costs and tree-trimming costs and a favorable timing difference in advertising expenses.

After you have reviewed the documents, and if you have questions or need additional information, please feel free to contact me.

Sincerely,



Suzanne Holley
Chief Operating Officer

Table of Quarterly Expenditures as of March 31, 2014

BUDGET LINE ITEM	ANNUAL BUDGET	AMOUNT SPENT THIS QUARTER	TOTAL AMOUNT SPENT FOR 2013 YTD	PROJECTED SPENDING FOR NEXT QUARTER
1. Operating Expenses	\$ 3,552,665	\$ 739,355	\$ 739,355	\$ 853,885
2. Communications & Marketing	\$ 1,455,580	\$ 303,197	\$ 303,197	\$ 322,330
3. Administration	\$ 1,005,230	\$ 270,553	\$ 270,553	\$ 226,195
4. Total	\$ 6,013,475	\$ 1,313,105	\$ 1,313,105	\$ 1,402,410

**NEIGHBORHOOD AND BUSINESS IMPROVEMENT DISTRICTS
QUARTERLY STATISTICS FOR MAYOR'S COMSTAT REPORT**

CATEGORY	TOTAL FOR QUARTER	CUMULATIVE TOTAL
Public Safety Incidents	9,288	9,288
Trash Bags/Tons Removed	21,557	21,557
Bulky Items Removed	12	12
Graffiti Removed	491	491
Weeded Areas	3	3
Citizen Contacts	4,623	4,623
Merchant Contacts	7,615	7,615
Spaces for Lease	7,988,890 SF	7,988,890 SF
Spaces Leased	83,865 SF	83,865 SF
New Business	30	30
Landscaped Medians	3	3



NBID
JUL 31 2014

July 31, 2014

VIA EMAIL

Mr. Rick Scott
Administrative Services Division
City Hall, Room 224
200 N. Spring Street
Los Angeles, CA 90012

RE: Downtown Center Business Improvement District: 2014 Second Quarter Report

Dear Mr. Scott:

We are pleased to provide you with the required reporting of the activity for the Downtown Center Business Improvement District (DCBID) for the second quarter of 2014:

Operating Expenses: Annual Budget \$3,552,665

Safety Services - We contract safety services through Universal Protection Services (UPS). Patrol services are in place 24 hours a day, seven days a week and are deployed on foot patrols, bicycles and vehicles from the Service Center facility located at 528 South Spring Street. Safety personnel responded to 38,241 calls for service and self-observed incidents, as well as providing directions and assistance to 5,332 citizens during the months of April, May & June

The Safety Patrol focused on quality of life issues that were spiking in all areas of the district. Business's throughout the district were being effected by an increase in the numbers and aggressiveness of transient behavior. This prompted the DCBID to focus strategic patrols in the areas and also a request to LAPD for an increased presence of law enforcement personnel.

The Safety Patrol conducted refresher training on the following topics:

- Weaponless Defense
- Quarterly Bike Patrol Refresher
- Impact Weapon Training
- Pepper Spray Certification
- First Aid & CPR

Maintenance Services - We contract maintenance services through Chrysalis, a neighborhood nonprofit organization that offers employment opportunities to the homeless and economically disadvantaged.

Maintenance worked hard on removing the growing amount of ground-level graffiti and targeted problem areas within the district. High-rise graffiti was reported to the city.

Maintenance sweeper crews swept the sidewalks, emptied trash receptacles, removed illegal decals, scraped gum from public phone booths and provided graffiti removal as detailed above. The maintenance crew also deployed an M-20 sweeper/scrubber and M636 vacuum machine to pick up large items of trash on sidewalks. The DCBID has added mulch (red wood chips) to all of the tree planters within the district. Maintenance crews collected 23,213 bags of trash and removed 32 abandoned shopping carts during the months of April, May & June

BID ACTION (Homeless Outreach Team) - The DCBID Homeless Outreach Team is comprised of a mix of personnel from Chrysalis and UPS working together to assist the homeless. The ultimate goal of the outreach team is to assist getting those in need into stable housing or drug/alcohol programs.

In the last quarter, the homeless outreach team conducted homeless counts that averaged 190 homeless persons who sleep within the DCBID boundaries every night. During the 2nd quarter, the DCBID Outreach Team was able to assist 10 people check into in-house drug recovery programs effectively transitioning them from homeless.

Communications, Marketing and Economic Development Programs: Annual Budget \$1,455,580

Communications & Marketing:

Marketing Campaigns

The DCBID's Spring marketing campaign highlighted over 20 restaurants that are always open for brunch, and included special Easter and Mother's Day brunch ideas as well. The campaign was supported by social media and email blasts. The dedicated webpage, DowntownLA.com/Brunch, will continue to be live on our website. There were 75,000 visitors to our website during the campaign (a 5% increase over last year) and accelerated engagement on our social media networks.

In April and May, we worked on developing our summer campaign called "Summer in the City: An Insider's Guide to Downtown LA's Concerts, Outdoor Films, and Events." The campaign launched after Memorial Day, and will be live through Labor Day. The campaign is supported by radio spots, print ads, flyers, email blasts, and banners. Please view the campaign at DowntownLA.com/Summer. Thus far, the campaign is outperforming last year's, with 20,190 page views (13, 880 last year).

Website

We have been posting new businesses, upcoming events, and promotions on our website.

We are in the process of redesigning our website, DowntownLA.com. The new site will launch later this year. We hired Downtown marketing and website firm We Are Giants.

PR

We worked with *Los Angeles Magazine* on developing the content for the June issue which focuses on Downtown LA. Our PR firm Macy + Associates secured an article in Real Estate Forum in their Feb/Mar issue as well as a great piece in LA Confidential featuring Carol, Barbara Bundy, and Bert Dezzutti. They also worked on coverage with LA Register, La Opinion, LA Times, and PBS So-Cal. Carol spoke at ICSC's Downtown LA Forum on April 29.

Downtown Guides Program

The Downtown Guides were active in their outreach to businesses, residents, and visitors in the Downtown Center. We launched our two new kiosks at the Annual Property Owners Meeting in April. The Guides were present at the weekly Farmers' Markets and FIGat7th Resident Mixer. The rotating schedule for the kiosk targets the most popular intersections in Downtown for pedestrians. The Welcome Map and Bags continue to be in high demand.

eNewsletter

The DCBID's monthly e-newsletters were sent to over 35,000 current subscribers. They highlighted new business openings, Downtown events, and special offers to our subscribers.

Property Owner Quarterly Newsletter

The Q2 Newsletter arrived to property owners.

Events

Annual Property Owners Meeting

The 2013 Annual Report debuted at the Annual Property Owners Meeting on Thursday, April 10 at the Los Angeles Athletic Club. This meeting was an opportunity for property owners to learn about the work the DCBID does to ensure that the District remains safe, clean, and vibrant. The DCBID presented a retrospective of our efforts for 2013 and an overview of our goals for 2014. The DCBID continues to produce strong results and remains a catalyst in the revitalization of Downtown LA. Guest speakers for the program included Kathy Faulk, Board Chair; Sara Hernandez, Downtown Area Director and Special Counsel, 14th District; and Mike Oreb, Captain, LAPD Central Division. For more information, and to download a copy of the 2013 Annual Report visit DowntownLA.com.

Dog Day Afternoon, BBQ and Halloween

In the Spring, planning was underway for Dog Day Afternoon at the Cathedral on July 9 from 6-9pm as well as our Halloween Party for Downtown LA Kids on October 31 from 5-8pm.

Economic Development:

Creative/Tech/ Office Recruitment Committee

We presented a Program and Timeline to the Creative/Tech/Office Recruitment Committee on June 26. The program is designed to encourage leasing of office space in Downtown LA and will educate brokers and untapped end-users on how the Downtown LA of today makes sense for them and will inform Downtown property owners on what these end-users want as tenants. The strategy is to create experiences that change the perception of DTLA as being only for "suits in traditional office space" through an ongoing event series and marketing collateral. Target audiences include regional, national and international creative, tech and traditional office tenants that are not currently located here. The program consists of 3 parts: Events, Collateral and Marketing with the following components: Bus Tours, Open Houses, Road Shows, Staycations, Recruitment Toolkit, Video and a PR Strategy. The timeline sets a program launch date for October 2014.

Broadway 2nd to 4th Street

We are creating a detailed inventory of all property ownership along Broadway between 2nd and 4th and are meeting with property owners to discuss strategies for long term development and investment into Broadway. We met with brokers of key vacant spaces and discussed options for retail recruitment. We toured a few interested restaurants and nightlife operators along this section of Broadway to show as an exciting Downtown location. We are working with CD-14 on their Bringing Back Broadway Initiative, both in the areas of retail recruitment and facade lighting program.

Retail Recruitment

We toured over 8 different retailers that are interested in locating in our District.

We attended the Downtown Works Retail recruitment Workshop and met with key retailers in Los Angeles to discuss possibilities of opening in Downtown.

Broker Outreach

We met with the Downtown, South Bay, Beverly Hills and Orange County offices of CBRE, Colliers, Cushman and Wakefield, Main and Main, Commonwealth Partners, Creative Spaces and ACE to give their brokers a Downtown update and talk about how we can assist them in recruiting tenants to Downtown from outlying markets. Some of these meetings were targeted discussions about specific tenants that these brokers are representing who want to be in Downtown.

We also talked with them about the Creative/Tech/Office program and solicited input from them on how we should design our Recruitment Toolkit and other components in order to help them sell Downtown to their tenants.

Residential Market

- Construction began in April on 1000 Grand, a 274 unit apartment complex by the Hanover Company at Olympic and Grand. The project will also include 12,000 SF of new retail space.
- Phase one of the Metropolis construction started in June. The first phase consists of a 290 unit high-rise condo tower and a 350 room hotel with ground floor retail.
- May saw the beginning of construction on Olive and Pico, a 293 unit apartment complex by the Wolff Company which will contain 17,300 SF of new retail space.
- 8th and Hope apartment tower by Wood Partners topped off and when finished will add 290 units and 5,000 SF of retail space to the DCBID.
- Construction continues on 8th and Grand, an apartment building by Carmel Partners, as well as 888 Olive, a high rise apartment building by the Onni Group.
- There are currently 6,096 residential units under construction and 15,910 more in the development pipeline in Downtown Los Angeles.
- The rental occupancy rate is 97%.
- The average condo price per SF is \$542.21.
- We provided tours to developers and investors that are interested in new construction residential projects for Downtown.

Hotel Market

We toured the Embassy Hotel and the Hotel Clark. Both are ready to open pending getting CUPs to serve alcohol.

Other users:

We are working with a pre-school to open in Downtown, as well as a major medical tenant.

Events

Quarterly DRMA Networking Event

We collaborated with Bunker Hill Bar & Grill to host a spring DRMA event with an attendance of over 50 residential building managers on April 22nd.

We are partnering with the CD-14 office to help promote their newly formed Downtown Residential Task Force through our DRMA network.

We are partnering with Faith and Flower for a July DRMA event and 2 more events will be planned for 2014.

DRMA Business Meeting

We hosted the first DRMA Business Meeting for property managers and concierges. The purpose of the meeting is to discuss best practices for information sharing, with the goal of streamlining communication among residential properties. Two more events will be planned for 2014.

Resident Mixer TASTE at FIGAT7TH

We partnered with Brookfield Properties to help produce their resident mixer at TASTE to be held in early June. DCBID helped create the invitation and e-mailed it to key stakeholder lists, as well as managed RSVPs and provided staffing the night of the event.

CCA Housing Panel and Showcase

We produced a Housing Panel and Showcase in mid-June and coordinating with 15 residential developers, providing them the opportunity to showcase their properties of projects recently completed and under construction.

CCA Housing Panel and Showcase

We produced a Housing Panel and Showcase in mid-June and coordinating with 15 residential developers, providing them the opportunity to showcase their properties of projects recently completed and under construction.

8th Annual Dog Day Afternoon

The 8th Annual Dog Day Afternoon was held on July 9th. Over 1600 dogs and 1000 humans were in attendance, with cat and dog adoptions and over 30 downtown pet vendors.

Resident Mixer TASTE at FIGAT7TH

We partnered with Brookfield Properties to help produce their resident mixer at TASTE held June 3. DCBID helped create the invitation and e-mailed it to key

Tours

Housing Tours

We had three very successful, standing room only, housing tours with almost 150 people in attendance.

Investor tours

We gave two equity investor tours.

Research & Information Requests

- The Q1 Market Report was compiled and included current statistics on the residential, office, retail and hotel sectors.
- New development maps were created in coordination with Cartifact. These maps show all current, under construction and proposed residential buildings, hotels and civic buildings in a more user friendly way.
- The DCBID project database was updated to include new developments.

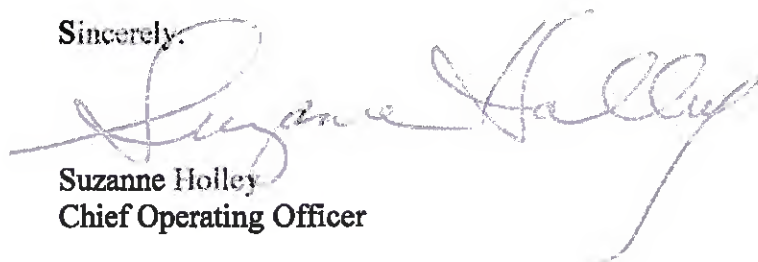
- New charts were created to show all new hotel buildings, as well as all new retail space under construction and proposed.
- Responded to over 50 requests for information by sending out 2013 Demographic Study as well as current market report and other information on new developments and stats related to Downtown Los Angeles.

Administration Program: Annual Budget \$1,005,230

Downtown Center Business Improvement District has actual revenues over net expenditures of \$3,337,707 versus a projected \$2,551,730 for the six months ended June 30, 2014. The \$786,000 difference is the result of a favorable timing difference in the collection of revenue (\$465,000), favorable timing differences within the Operations programs for open positions for Safety personnel, facilities costs and tree-trimming costs (totaling \$185,000) and a favorable timing difference in advertising expenses (\$42,000).

After you have reviewed the documents, and if you have questions or need additional information, please feel free to contact me.

Sincerely,

A handwritten signature in blue ink, appearing to read "Suzanne Holley", is written over a horizontal line.

Suzanne Holley
Chief Operating Officer

Table of Quarterly Expenditures as of June 30, 2014

BUDGET LINE ITEM	ANNUAL BUDGET	AMOUNT SPENT THIS QUARTER	TOTAL AMOUNT SPENT FOR 2014 YTD	PROJECTED SPENDING FOR NEXT QUARTER
1. Operating Expenses	\$ 3,552,665	\$ 711,617	\$ 1,450,972	\$ 937,085
2. Communications & Marketing	\$ 1,455,580	\$ 276,302	\$ 579,499	\$ 358,355
3. Administration	\$ 1,005,230	\$ 229,704	\$ 500,257	\$ 229,395
4. Total	\$ 6,013,475	\$ 1,217,623	\$ 2,530,728	\$ 1,524,835



2014 OCT 31 PM 9:00
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October 30, 2014

VIA EMAIL

Mr. Rick Scott
Administrative Services Division
City Hall, Room 224
200 N. Spring Street
Los Angeles, CA 90012

RE: Downtown Center Business Improvement District: 2014 Third Quarter Report

Dear Mr. Scott:

We are pleased to provide you with the required reporting of the activity for the Downtown Center Business Improvement District (DCBID) for the third quarter of 2014:

Operating Expenses: Annual Budget \$3,552,665

Safety Services - We contract safety services through Universal Protection Service (UPS). Patrol services are in place 24 hours a day, seven days a week and are deployed on foot patrols, bicycles and vehicles from the Service Center facility located at 640 S. Olive Street. Safety personnel responded to 37,294 calls for service and self-observed incidents, as well as provided directions and assistance to 2,979 citizens during the months of July, August and September.

The Safety Patrol focused on quality of life issues that were spiking in all areas of the district. Businesses throughout the district were being affected by an increase in the frequency and aggressiveness of transient behavior. This prompted the DCBID to focus strategic patrols in the most problematic areas and to request for an increased presence of law enforcement personnel from LAPD.

The Safety Patrol was trained on the following topics:

- Report Writing
- VI-SPDAT Administration
- Customer Service
- Use of Force
- First Aid & CPR

Maintenance Services - We contract maintenance services through Chrysalis, a neighborhood nonprofit organization that offers employment opportunities to the homeless and economically disadvantaged.

Maintenance worked hard on removing the growing amount of ground-level graffiti and targeted problem areas within the district. High-rise graffiti was reported to the city.

Maintenance sweeper crews swept the sidewalks, emptied trash receptacles, removed illegal decals, scraped gum from public phone booths and provided graffiti removal as detailed above. The maintenance crew also deployed an M-20 sweeper/scrubber and M636 vacuum machine to pick up large items of trash on sidewalks. The DCBID has added mulch (red wood chips) to all of the tree planters within the district. Maintenance crews collected 24,321 bags of trash and removed 36 abandoned shopping carts during the months of July, August and September.

BID ACTION (Homeless Outreach Team) - The DCBID Homeless Outreach Team is comprised of a mix of personnel from Chrysalis and UPS working together to assist the homeless. The ultimate goal of the Outreach Team is to assist getting those in need into stable housing or drug/alcohol programs.

In the last quarter, the Homeless Outreach Team conducted homeless counts that averaged 150 homeless persons who sleep within the DCBID boundaries every night. During the 3rd quarter, the DCBID Outreach Team was able to assist in 6 people checking into in-house drug recovery programs effectively transitioning them from homeless.

Communications, Marketing and Economic Development Programs: Annual Budget \$1,455,580

Communications & Marketing:

Marketing Campaigns

Our summer campaign called "Summer in the City: An Insider's Guide to Downtown LA's Concerts, Outdoor Films, and Events" was live from Memorial Day through Labor Day. The campaign was supported by radio spots, print ads, flyers, email blasts, and banners. You may view the campaign at DowntownLA.com/Summer. Events promoted in the campaign included:

- FIGat7th Downtown Festival
- Friday Night Flicks at Pershing Square
- Downtown Stage at Pershing Square
- Grand Performances
- Grand Park Summer
- Dance Downtown at The Music Center
- Street Food Cinema At Exposition Park
- LA Film Fest

The campaign performed better than last year's campaign with 42,901 page views (30.66% increase over 2013) and 33,623 unique page views (26.84% increase over 2013.)

Website

We have been posting new businesses, upcoming events, and promotions on our website.

We are in the process of redesigning our website, DowntownLA.com. The new site will launch later this year. We hired Downtown marketing and website firm We Are Giants.

PR

Our PR agency, Macy + Associates secured and coordinated the following press coverage:

- Carol Schatz interview with Don Jerger for the July 23 *Los Angeles Register* article "Fashion Brands Migration to Downtown Feature."
- Dog Day Afternoon at the Cathedral event coverage in 9 publications, on KNX Radio, and on KABC Channel 7.
- Carol Schatz interview with Dreams Magazine for their Downtown LA Renaissance Feature (story ran in October.)
- Carol Schatz's interview for a Downtown LA Feature in the August Global Traveler Magazine.
- Carol Schatz interview for the August LA Downtown News article Made in America Festival Story
- Carol Schatz interview for SNL Financial
- Carol Schatz interview for LA Register's "Downtown Housing Feature"
- Hal Bastian's departure from the DCBID; coverage in the LA Downtown News and Today Los Angeles.

They also provided logistical support and talking points for Carol's speaking engagement at the Global Business Travel Association Conference on July 25.

Downtown Guides Program

The Downtown Guides were active in their outreach to businesses, residents, and visitors in the Downtown Center. The team provided support for Dog Day Afternoon at the Cathedral, the monthly DCBID Housing Tours, Hope for Firefighters, the August Downtown LA Art Walk, the Downtown Festival at FIGat7th, and the DCBID Office Tour. The rotating schedule for the kiosk targets the most popular intersections in Downtown for pedestrians. The Welcome Map and Bags continue to be in high demand.

eNewsletter

The DCBID's monthly e-newsletters were sent to over 35,000 current subscribers. They highlighted new business openings, Downtown events, and special offers to our subscribers.

Property Owner Quarterly Newsletter

The Q3 Newsletter was written, designed, and mailed. It arrived to property owners the final week of September/1st week of October.

Events

Dog Day Afternoon at the Cathedral

Dog Day Afternoon at the Cathedral on Wednesday, July 9, was a success! We had 1,000 dogs and 1,600 residents attend - 100 more residents than last year. The marketing campaign included email blasts, hand-to-hand outreach, flyers and posters in local businesses, and PR outreach.

BBQ and Halloween

In Q3, planning was underway for our Annual Public Safety BBQ on Thursday, October 9 and our Halloween Party for Downtown LA Kids on Friday, October 31.

Marketing Roundtable

The Marketing Roundtable continues to be a popular meeting. Over 80 businesses attended the August and September meetings.

Economic Development:

Creative/Tech/ Office Recruitment Committee

We have convened a committee of downtown real estate and marketing professionals to develop a program to recruit creative, tech, and non-traditional users to lease office space. On August 13th we presented the committee with 3 design mock-ups of the CTO collateral as well as a selection of program names. We also took the committee on a “beta” office space tour with stops at Gensler, The Reef, and The Bloc. We are developing a broker toolkit, which will be comprised of a curated selection of Downtown inventory that we have compiled in-house and with the help of the committee. The timeline sets a program launch date by year end, with tours starting in Q1 2015.

Creative/Tech Outreach

We have ongoing conversations and meetings with creative tech entrepreneurs and members of the LA Tech Task Force to discuss Downtown’s challenges and opportunities as a viable option for recruitment of tech/creative business. We remain informed on tech events in and around Downtown, and discuss possible collaborations for these events and for our CTO recruitment program.

Broker Outreach

We have assembled a complete broker list for Southern California.

Retail Recruitment

We toured different retailers that are interested in locating in our District. We discussed the idea of a holiday pop-up along Broadway.

Residential Market

We provided tours to developers and investors that are interested in new construction residential projects for Downtown.

Move-ins began in August at Eighth+Hope Apartments, which has 290 units ranging from one to three bedrooms.

Hotel Market

We toured the Case Hotel.

Tours

Housing Tours

We hosted 2 successful, standing room only, housing tours with almost 60 people in attendance.

Conferences

We attended the International Downtown Association (IDA) Conference in Ottawa, Canada.

Sponsorship Fundraising

We solicited sponsorships for the Public Safety Appreciation BBQ, as well the Halloween Party for Downtown LA Kids.

Special Tours

We gave special tours to both residential and hotel developers and helped them with their market research and underwriting.

Research & Information Requests


We responded to requests for information on subjects including Metrolink ridership, Downtown employment, Broadway theaters and office availability on Bunker Hill.

Administration Program: Annual Budget \$1,005,230

Downtown Center Business Improvement District has actual revenues over net expenditures of \$1,929,501 versus a projected \$1,371,845 for the nine months ended September 30, 2014. The \$558,000 difference is the result of a favorable timing difference in the collection of revenue (\$158,000), favorable timing differences within the Operations programs for open positions for Safety personnel, facilities costs, equipment/supplies/repairs & maintenance and tree-trimming costs (totaling \$280,000) and a favorable timing difference in advertising expenses (\$45,000).

After you have reviewed the documents, and if you have questions or need additional information, please feel free to contact me.

Sincerely,



Suzanne Holley
Chief Operating Officer

Table of Quarterly Expenditures as of September 30, 2014

BUDGET LINE ITEM	ANNUAL BUDGET	AMOUNT SPENT THIS QUARTER	TOTAL AMOUNT SPENT FOR 2014 YTD	PROJECTED SPENDING FOR NEXT QUARTER
1. Operating Expenses	\$ 3,552,665	\$ 863,038	\$ 2,314,010	\$ 956,385
2. Communications & Marketing	\$ 1,455,580	\$ 333,672	\$ 913,171	\$ 525,990
3. Administration	\$ 1,005,230	\$ 250,877	\$ 751,134	\$ 267,820
4. Total	\$ 6,013,475	\$ 1,447,587	\$ 3,978,315	\$ 1,750,195

2015 FEB -2 AM 7:46



2015 JAN 33 AM 7:46

January 31, 2015

VIA EMAIL

Mr. Rick Scott
Administrative Services Division
City Hall, Room 224
200 N. Spring Street
Los Angeles, CA 90012

RE: Downtown Center Business Improvement District: 2014 Fourth Quarter Report

Dear Mr. Scott:

We are pleased to provide you with the required reporting of the activity for the Downtown Center Business Improvement District (DCBID) for the fourth quarter of 2014:

Operating Expenses: Annual Budget \$3,552,665

Safety Services - We contract safety services through Universal Protection Service (UPS). Patrol services are provided 24 hours a day, seven days a week and are deployed via foot patrols, bicycles and vehicles from the Service Center facility located at 640 S. Olive Street. Safety personnel responded to 34,135 calls for service and self-observed incidents, and provided directions and assistance to 2,788 citizens during the months of October, November and December.

The Safety Patrol focused on quality of life issues that were spiking in all areas of the district. Businesses throughout the district were being affected by an increase in the frequency and aggressiveness of transient behavior. This prompted the DCBID to focus strategic patrols in the most problematic areas and also a request for an increased presence of law enforcement personnel from LAPD.

The Safety Patrol conducted refresher training on the following topics:

- Biohazard Awareness
- Effective Patrol Procedures
- Community Service

Maintenance Services - We contract maintenance services through Chrysalis, a neighborhood nonprofit organization that offers employment opportunities to the homeless and economically disadvantaged.

Maintenance worked hard on removing the growing amount of ground-level graffiti and targeted problem areas within the district. High-rise graffiti was reported to the city.

Maintenance sweeper crews swept the sidewalks, emptied trash receptacles, removed illegal decals, scraped gum from public phone booths and provided graffiti removal as detailed above. The maintenance crew also deployed an M-20 sweeper/scrubber and M636 vacuum machine to pick up large items of trash on sidewalks. The DCBID has added mulch (red wood chips) to all of the tree planters within the district. Maintenance crews collected 32,599 bags of trash and removed 22 abandoned shopping carts during the months of October, November and December.

The DCBID had approximately 235 trees within the district trimmed during the 4th quarter. We also purchased 18 Solar Belly trash cans that were placed along the 7th Street corridor between Hill and Figueroa.

BID ACTION (Homeless Outreach Team) - The DCBID Homeless Outreach Team is comprised of a mix of personnel from Chrysalis and UPS working together to assist the homeless. The ultimate goal of the outreach team is to assist getting those in need into stable housing or drug/alcohol programs.

In the last quarter, the Homeless Outreach Team conducted homeless counts that averaged 155 homeless persons who sleep within the DCBID boundaries every night. During the 4th quarter, the DCBID Outreach Team was able to assist 2 people check into in-house drug recovery programs effectively transitioning them from homeless.

Communications, Marketing and Economic Development Programs: Annual Budget \$1,455,580

Communications & Marketing:

Marketing Campaigns

Our holiday campaign called "Celebrate the Holiday Season in Downtown LA" was live from November 24 through December 21. The campaign was supported by radio spots, print ads, flyers, email blasts, and banners. The campaign may be viewed at DowntownLA.com/Holiday. Events promoted in the campaign included:

- Holiday Ice Rink at Pershing Square
- Street Food Cinema Holiday Screenings
- LA Phil's Deck the Halls Series
- Breakfast with Santa
- LA County Holiday Celebration
- FIGat7th Holiday Sessions
- Music Center Holiday Sing-A-Long

For the first time, we partnered with one of our participating radio stations on an Instagram Contest and generated a significant 1,500 likes and more than 500 views for each participating business.

Website

We have been posting new businesses, upcoming events, and promotions on our website. We hired local Downtown marketing and website firm WeAreGiants to redesign our website, DowntownLA.com, and are currently nearing final review and testing stages. The new site is currently scheduled to launch in Q1 2015.

PR

Our PR agency, Macy + Associates, secured a story featuring Carol Schatz on the cover as a Power Player for the Los Angeles Business Journal Book of Lists 2014, the publication's popular annual business resource guide. The story covered Carol's history in Downtown Los Angeles. The agency also drafted and disseminated the Q3 Market Report Press Release in mid-November to targeted media outlets to utilize as an information and data resource in future story development.

Downtown Guides Program

The Downtown Guides were active in their outreach to businesses, residents, and visitors in the Downtown Center. The team provided support for the Annual Halloween Party, Annual Safety BBQ, the monthly DCBID Housing Tours, and an employee benefit fair. The rotating schedule for the kiosk targets the most popular intersections in Downtown for pedestrians. The Welcome Map and Bags continue to be in high demand.

eNewsletter

The DCBID's monthly e-newsletters were sent to over 36,000 current subscribers. They highlighted new business openings, Downtown events, and special offers to our subscribers.

Q3 Market Report

We published the Q3 2014 Market Report on November 26. It was posted to the DCBID website and distributed to external stakeholders and Central City Association and DCBID staff. It was also sent to a variety of media outlets by Macy + Associates with an accompanying press release.

Property Owner Quarterly Newsletter

Macy + Associates assisted with the copywriting and production of the Q4 Newsletter and managed its assembly and distribution. The Newsletter was delivered to property owners the second week in January (week of 1/12).

Annual Report

We have just initiated work on the 2014 Annual Report, selecting a theme and cover design and establishing a production timeline for the report that will publish in April 2015.

Events

15th Annual Public Safety BBQ

On Thursday, October 9, the DCBID held the 15th Annual Public Safety BBQ at Bank of America Plaza. It was attended by over 1,000 people including public safety officers and several city officials. Lawry's Catering provided the lunch. The event included giveaways and a live band.

7th Annual Halloween

On Friday, October 31, the DCBID held the 7th Annual Halloween Party for Downtown LA Kids and Families. We were joined by over 1,800 kids and parents this year at Grand Hope Park. Along with bouncy houses and a puppet show, hot dogs and snacks were provided by Ralphs Fresh Fare.

Marketing Roundtable

The Marketing Roundtable continues to be a popular meeting. Over 80 businesses attended the November meetings. We hosted our perpetually well-attended annual holiday party at City Tavern on Monday, December 15th.

Economic Development:

Creative/Tech/ Office Recruitment Committee

We submitted a draft of the printed collateral piece for **Get Urban; Do It Downtown** to the Committee. The draft was tentatively approved, with some committee input on some minor updates to be made. The booklet is comprised of curated information about Downtown that we have compiled in-house and with the help of the Committee, as well as individuals we have reached out to in the Downtown tech community. The current chapters include the following subjects: Get Vertical (office diversity), Get Community (amenities), Get Culture (Arts & Culture), Get Talent (talent pool) and Get Here (neighborhoods and regional/local transit).

A first-round of the **Get Urban** video has been shot and edited. The video features storytellers who illustrate the points made in the printed collateral piece. Macy + Associates has suggested more edits and shots to be included in the video. Production will resume after the holiday break. A schedule of Q1 broker tours and showcases is defined and awaiting approval. Two **Get Urban** Roadshows will be produced to coincide with this initiative for 2015.

Staff attended the LA Tech Summit held at LA live on December 11th.

Creative/Tech Outreach

We have ongoing conversations and meetings with creative tech entrepreneurs and members of the LA Tech Task Force to discuss Downtown's challenges and opportunities as a viable option for recruitment of tech/creative business. We remain informed on tech events in and around Downtown, and discuss possible collaborations for these events and for our CTO recruitment program.

Retail Recruitment

We toured and/or met with over 8 different retailers and companies that are interested in opening their business or moving their office to Downtown.

Tours

Housing Tours

We hosted 3 successful, standing room only, housing tours with almost 60 people in attendance.

Conferences

We hosted a booth at the International Council of Shopping Centers (ICSC) Conference in San Diego, California in October.

Special Tours

We gave special tours to both residential and hotel developers and helped them with their market research and underwriting.

Events

Holiday Resident Mixer at LAAC

We produced a Holiday Resident Mixer at the Los Angeles Athlete Club. We invited all 28 buildings located within DCBID boundaries. Approximately 74 residents attended the evening event and enjoyed appetizers, jazz music by the Colburn School, a presentation on DCBID programs, services and staff and a raffle to end the evening. We distributed new DCBID pens and magnets printed with the DCBID Service Center Hotline. An online survey was emailed to all 74 attendees as follow up to the event. Eight responded with positive comments and feedback for our next event. More Resident Mixers will be planned for 2015.

CCA Architects Panel and Showcase

We produced the Architects Showcase in conjunction with CCA's Architects Panel on November 20th. We coordinated 22 architects/designers providing them the opportunity to showcase their downtown projects.

Research & Information Requests

We responded to over 50 external requests for information on the following topics:

- Updates to the Downtown LA Market Overview
- New retail and restaurant openings
- Residential Vacancy rates in Bunker Hill
- Residential development update
- Vending opportunities at the 2015 Special Olympics
- Fashion District retail leasing data
- Traffic data for Figueroa and 7th
- Downtown LA visitors
- Parking requirements for new businesses
- Where to list available office space in Downtown LA
- Projects in development
- Pedestrian counts
- Square footage of various uses in Downtown LA
- Housing costs and unit sizes
- Biggest downtown employers
- Affordable housing

We provided research for internal support on the following topics:

- Economic benefits of Made In America Festival
- Chinese investment in Downtown
- Number of rooms in Downtown hotels
- Municipal Broadband Wi-fi and Santa Monica City Net
- Historic Core and Arts District office leasing and vacancy rates
- Contacts information for all residential projects currently under construction
- Creative office tenants in Downtown
- Creative/Tech/Office supporting data and material
- Content for new DCBID website
- Assessment revenue forecasting for DCBID projects in development

We published the Q3 2014 Market Report on November 26. It was posted to the DCBID website and distributed to external stakeholders and CCA and DCBID staff. It was also sent to a variety of media outlets by Macy + Associates with an accompanying press release.

Administration Program: Annual Budget \$1,005,230

Downtown Center Business Improvement District has actual revenues over net expenditures of \$237,724 versus a budgeted loss of \$135,702 for the twelve months ended December 31, 2014. The \$373,000 difference is the result of a favorable difference in the collection of revenue - \$52k, favorable differences within the Operations programs for open positions for Safety personnel, facilities costs, equipment/supplies/repairs & maintenance - \$244k and favorable difference in advertising expenses - \$53k.

After you have reviewed the documents, and if you have questions or need additional information, please feel free to contact me.

Sincerely,



Suzanne Holley
Chief Operating Officer

Table of Quarterly Expenditures as of December 31, 2014

BUDGET LINE ITEM	ANNUAL BUDGET	AMOUNT SPENT THIS QUARTER	TOTAL AMOUNT SPENT FOR 2014 YTD	PROJECTED SPENDING FOR NEXT QUARTER
1. Operating Expenses	\$ 3,552,665	\$ 1,020,667	\$ 3,334,677	\$ 850,035
2. Communications & Marketing	\$ 1,455,580	\$ 388,494	\$ 1,301,665	\$ 366,950
3. Administration	\$ 1,005,230	\$ 298,868	\$ 1,050,002	\$ 272,820
4. Total	\$ 6,013,475	\$ 1,708,029	\$ 5,686,344	\$ 1,489,805

**NEIGHBORHOOD AND BUSINESS IMPROVEMENT DISTRICTS
QUARTERLY STATISTICS FOR MAYOR'S COMSTAT REPORT**

CATEGORY	TOTAL FOR QUARTER	CUMULATIVE TOTAL
Public Safety Incidents		
Trash Bags/Tons Removed		
Bulky Items Removed		
Graffiti Removed		
Weeded Areas		
Citizen Contacts		
Merchant Contacts		
Spaces for Lease	6,640,542 SF	n/a
Spaces Leased	846,065 SF	2,031,894
New Business	15	42
Landscaped Medians		

